

Some hon. Members: Agreed.

Some hon. Members: No.

## ORAL QUESTION PERIOD

[English]

### RESOURCES

#### LAY-OFFS AT INCO—REFUSAL OF UNION TO ACCEPT SHARED WORK WEEK—GOVERNMENT ACTION

**Mr. James A. McGrath (St. John's East):** Mr. Speaker, in the absence of the Minister of Employment and Immigration, I will direct my question to the Minister of Energy, Mines and Resources. Canada is facing a disastrous winter of one million plus unemployed people with serious consequences for the country in terms of loss of productivity and human suffering. In view of the particular vulnerability of one-industry towns and the trouble facing the mining industry, I should like to ask the minister what response we can now expect from the government in the light of the announcement by INCO of major lay-offs in Ontario and, further, the closing down of the ALCAN mines in Newfoundland following the refusal of the union to accept the only positive response from the government, namely, to put forward a proposal for a shared work week supplemented by payment of unemployment insurance benefits?

● (1117)

**Hon. Alastair Gillespie (Minister of Energy, Mines and Resources):** I hope the union will re-examine its position. It would seem to me from reports I have read that the union was rejecting the proposal because it felt it would in some way be subsidizing the corporation instead of looking at the proposal on its merits as one designed to assist the workers.

#### LAY-OFFS AT INCO—PROPOSAL TO ESTABLISH TASK FORCE OF GOVERNMENTS AND UNIONS

**Mr. James A. McGrath (St. John's East):** It has been announced that the government is to meet tomorrow with representatives of the company and the unions, and since it now seems evident that the mining industry, a major employer in this country, is in a serious situation, may I ask what leadership the government proposes to provide to this troubled industry? For starters, given the fact that at least three or four departments of the government are actively involved in this matter, is the government prepared to propose the setting up of a task force combining the jurisdiction of the federal government, provincial government, and the unions?

**Hon. Alastair Gillespie (Minister of Energy, Mines and Resources):** There are two aspects of that matter. On the broader issue, I can tell the hon. member that discussions are going forward between my department and financial officials

### Oral Questions

and their opposite numbers in the provinces concerned in respect of the health of the mining industry. As to the suffering, the disastrous news we all received at the end of last week, it is clear that a number of federal departments are involved and they are concerting their actions. There have been discussions between federal officials and the provincial governments—I myself was engaged in discussions this morning with one of the provincial ministers on this question. I think there is an opportunity to provide significant employment in Elliot Lake and I hope it will be possible to work this out with the province, with the companies at Elliot Lake and with the employees concerned, because the uranium mining industry is ready to expand very substantially the operations which now exist.

#### LAY-OFFS AT INCO—ALLEGED INADEQUATE RESPONSE OF GOVERNMENT

**Mr. James A. McGrath (St. John's East):** May I ask the minister this question? If there are on-going studies within his department to determine world market conditions, to compile inventories of raw materials in Canada and to assess the impact both can have on future operations of mining companies in Canada, did these studies prepare the government for this latest announcement by INCO and, if so, why did the government not produce a much better prepared response than we got from the Prime Minister on Friday?

**Hon. Alastair Gillespie (Minister of Energy, Mines and Resources):** Anyone who has been following the mining situation would have recognized that the mining industry was in great difficulties.

**An hon. Member:** Why didn't you do anything about it?

**Mr. Gillespie:** The hon. member who asked that question does not seem to realize that the mining industry is an exporting industry which is dependent upon customers outside Canada. He does not seem to realize, for example, that 95 per cent of the output of domestic nickel is sold to overseas markets and that when those markets are down there is very little the government can do to change the buying habits of people outside the country. I wish there were something we could do in that regard. When the market turns down, as it does from time to time, there are very painful adjustments to be made in this country. I hope the need for these adjustments will be temporary and that we can ease the kind of adjustment which has to be made.

#### LAY-OFFS AT INCO—GOVERNMENT'S VIEW OF PROPOSALS BY ONTARIO LIBERAL LEADER

**Mr. John C. Crosbie (St. John's West):** Mr. Speaker, I wish to direct a question to the Acting Prime Minister, if there is one who can act. The leader of the Liberal party in Ontario, Stuart Smith, stated on Friday that the Ontario government should demand that INCO cease all operations in Guatemala and Indonesia right now, that all investments they are making with Canadian money in those countries should cease and that